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INTERNATIONAL PRELIMINARY EXAMINATION REPORT
(PCT Article 36 and Rule 70)

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| Applicant's or agent's file reference PN883PCT/MCG/TD | FOR FURTHER ACTION | See Notification of Transmittal of International Preliminary Examination Report (Form PCT/IPEA/416) |
| International application No. PCT/IE 03/00119 | International filing date (day/month/year) 01.09.2003 | Priority date (day/month/year) 04.09.2002 |
| International Patent Classification (IPC) or both national classification and IPC G07F19/00 | | |
| Applicant MAINLINE CORPORATE HOLDINGS LIMITED | | |

1. This international preliminary examination report has been prepared by this International Preliminary Examining Authority and is transmitted to the applicant according to Article 36.

2. This REPORT consists of a total of 6 sheets, including this cover sheet.

This report is also accompanied by ANNEXES, i.e. sheets of the description, claims and/or drawings which have been amended and are the basis for this report and/or sheets containing rectifications made before this Authority (see Rule 70.16 and Section 607 of the Administrative Instructions under the PCT).

These annexes consist of a total of 5 sheets.

3. This report contains indications relating to the following items:

- I Basis of the opinion
- II Priority
- III Non-establishment of opinion with regard to novelty, inventive step and industrial applicability
- IV Lack of unity of invention
- V Reasoned statement under Rule 66.2(a)(ii) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement
- VI Certain documents cited
- VII Certain defects in the international application
- VIII Certain observations on the international application

| | |
|--|---|
| Date of submission of the demand 14.01.2004 | Date of completion of this report 07.12.2004 |
| Name and mailing address of the international examining authority:  European Patent Office - P.B. 5818 Patentlaan 2 NL-2280 HV Rijswijk - Pays Bas Tel. +31 70 340 - 2040 Tx: 31 651 epo nl Fax: +31 70 340 - 3016 | Authorized Officer Ruester, H-B Telephone No. +31 70 340-2644 |



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**INTERNATIONAL PRELIMINARY
EXAMINATION REPORT**

International application No. PCT/IE 03/00119

I. Basis of the report

1. With regard to the **elements** of the international application (*Replacement sheets which have been furnished to the receiving Office in response to an invitation under Article 14 are referred to in this report as "originally filed"* and are not annexed to this report since they do not contain amendments (Rules 70.16 and 70.17)):

Description, Pages

1-19 as originally filed

Claims, Numbers

1-29 received on 02.06.2004 with letter of 21.05.2004

Drawings, Sheets

1-9 as originally filed

2. With regard to the **language**, all the elements marked above were available or furnished to this Authority in the language in which the international application was filed, unless otherwise indicated under this item.

These elements were available or furnished to this Authority in the following language: , which is:

- the language of a translation furnished for the purposes of the international search (under Rule 23.1(b)).
- the language of publication of the international application (under Rule 48.3(b)).
- the language of a translation furnished for the purposes of international preliminary examination (under Rule 55.2 and/or 55.3).

3. With regard to any **nucleotide and/or amino acid sequence** disclosed in the international application, the international preliminary examination was carried out on the basis of the sequence listing:

- contained in the international application in written form.
- filed together with the international application in computer readable form.
- furnished subsequently to this Authority in written form.
- furnished subsequently to this Authority in computer readable form.
- The statement that the subsequently furnished written sequence listing does not go beyond the disclosure in the international application as filed has been furnished.
- The statement that the information recorded in computer readable form is identical to the written sequence listing has been furnished.

4. The amendments have resulted in the cancellation of:

- the description, pages:
- the claims, Nos.:
- the drawings, sheets:

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5. This report has been established as if (some of) the amendments had not been made, since they have been considered to go beyond the disclosure as filed (Rule 70.2(c)).
(Any replacement sheet containing such amendments must be referred to under item 1 and annexed to this report.)

6. Additional observations, if necessary:

V. Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement

1. Statement

| | | |
|-------------------------------|-------------|------------|
| Novelty (N) | Yes: Claims | 25,26 |
| | No: Claims | 1-24,27-29 |
| Inventive step (IS) | Yes: Claims | |
| | No: Claims | 25,26 |
| Industrial applicability (IA) | Yes: Claims | 1-29 |
| | No: Claims | |

2. Citations and explanations

see separate sheet

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EXAMINATION REPORT - SEPARATE SHEET**

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Re Item V

Reasoned statement under Rule 66.2(a)(ii) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement

1. The application concerns a method of transferring funds between the accounts of two cardholder. It also concerns a system and software to perform this transfer.

With letter of 21.06.2004, the applicant has filed an amended set of claims. The following amendments in claims 1, and 13 are in conflict with Art. 34(2)(b) EPC as not unambiguously derivable originally disclosed:

- a) "first immediate transfer", and
- b) "communicating.... first host"

2. The following documents (D) are referred to in this communication; the numbering will be adhered to in the rest of the procedure:

- D1: US-A-5 949 044 (JINDAL SANJAY K ET AL)
7 September 1999 (1999-09-07)
- D2: WO 99 19843 A (ANGEWANDTE DIGITAL ELEKTRONIK ;
KREFT HANS DIEDRICH (DE)) 22 April 1999 (1999-04-22)
- D3: EP1058217 (PRASAD RAGHAV (GB))
04 December 2000 (2000-12-04)

where D3 was introduced when assessing the amendments made to claim 1 and 13.

3. Claim 1 lacks clarity, as it does not disclose the primary communication between first and second cardholder which is essential for the solution of the problem underlying its subject. Besides, the term "host" is ambiguous as there are several "hosts" defined in the description.

For assessment of novelty and inventive step, all formal deficiencies will be ignored for the moment, however.

Compared to claim 1, document D1 (see claim 4, figs. 1 and 3; Par. 0025-0087) a method, performed by a computer system (fulfilment center 20) having a network of terminals (ATMs), of transferring funds from a first payment cardholder (Sibling card 22) at a first merchant (ATM 26) to a second payment cardholder at a second

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merchant (ATM 28), said method comprising the steps of:

- a) receiving an indication from said first cardholder (Sibling card 22) at said first merchant that a transfer of funds is required to said second cardholder (Sibling card 24);
- b) generating a first payment card transaction at a networked terminal (ATM) between said first merchant (ATM 26) and said first cardholder (Sibling card 22), wherein said first payment card transaction is a first immediate (real time) transfer, debiting said funds from said first cardholder (Sibling card 22) and crediting said funds to said first merchant (ATM 26);
- c) generating a second payment card transaction at a networked terminal (ATM 28) between said second merchant and said second cardholder (Sibling card 24), wherein said second payment card transaction is a second immediate transfer, debiting said funds from said second merchant and crediting said funds to said second cardholder; and
- d) communicating said first and second payment card transactions to a host (fulfilment center 20 ?) across said network.

Thus the subject-matter of claim 1 is not new in the sense of Article 33(2) PCT.

4. Dependent claims 2-14 comprise features which are rendered obvious by, or are explicitly known from, D3:

For claim 2 - 4 see e.g. claim 1; par. [0043, 0064]

For claim 5 see fig. 4 and description

For claim 6 see par. [0064] currency exchange module 46

For claim 7 see e.g. claim 1

For claim 8 see par. [0080]

For claim 9-11 see e.g par. [0085]

For claim 14 see par. [0031]

Besides, the additional features of claims 6 and 9-13 do not appear to contribute to a technical solution of any technical problem.

In this context the subject-matter of claims 14 is not new in the sense of Article 33(2) PCT.

5. System claims 15-24 extrapolate the method features of claims 1-14 into product features. There is no additional technical effect to be seen which would lead to

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another assessment than made for claims 1-14 compared to the subject-matter of D3.

The subject-matter of claims 15-24 is not new in the sense of Article 33(2) PCT.

6. Claims 25 (Software) and 26 (computer program product) together with the claims they refer to do not meet the requirements of Article 33(1) PCT as their subject-matter, missing further special technical aspects, is not inventive Article 33(3) PCT.
7. Seen the disclosure of D3, the combination of features of claims 27 (method of transferring funds), 28 (system of transferring funds), and 29 (method of transferring funds) the assessment of non-novelty Article 33(2) PCT applies consequently also here.

Burkhart Rüster

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Claims

1. A method, performed by a computer system, of transferring funds from a first payment cardholder to a second payment cardholder comprising the steps of:
 - 5 receiving an indication from the first cardholder that a transfer of funds is required to the second cardholder,
 - generating a first payment card transaction between a first merchant and the first cardholder for a negative amount associated with the value of funds to be transferred, and generating a second payment card transaction between a second merchant and the second cardholder for a positive amount associated with the value of funds to be transferred.
- 10 2. A method according to claim 1, comprising the initial step of obtaining authorisation for the first payment card transaction prior to generating the first payment card transaction.
- 15 3. A method according to claim 1 or 2, wherein the indication identifies the payment card details of the first cardholder and/or the payment card details of the second cardholder.
- 20 4. A method according to claim 1 or 2, wherein the indication contains an identifier for the first cardholder and/or a second identifier for the second cardholder and whereby these identifiers may be used to obtain the card details of the first and/or second payment cardholder from a database of cardholders and their associated identifiers.
- 25 5. A method according to any preceding claim, wherein the positive and/or negative amounts associated with the value of funds to be transferred may be equal to the value of funds to be transferred or may include a service fee applied to the value of funds to be transferred.
- 30 6. A method according to any preceding claim, wherein the currency of the first payment card transaction is the currency of the first cardholder's payment card

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account and the second payment card transaction is conducted in the currency of the second cardholder's payment card account in circumstances where the currencies of the first and second cardholders' payment card accounts are different.

- 5 7. A method according to any preceding claim, wherein the step of receiving an indication from the cardholder is performed over a computer network.
- 10 8. A method according to any one of claims 1 to 6, wherein the step of receiving an indication from the first cardholder is performed over a telephone.
- 15 9. A method according to any preceding claim, wherein the first merchant and second merchant are the same.
- 20 10. A method according to any one of claims 1 to 8, wherein the first merchant and second merchant are related but not the same.
- 25 11. A method according to claim 10, wherein the first merchant is resident in the country of the first cardholder and the second merchant is located in the country of the second cardholder.
- 30 12. A method according to any preceding claim, further comprising the step of identifying a suitable second merchant from the details of the second cardholder.
13. A method according to any preceding claim, further comprising the step of identifying a suitable first merchant from the card details of the first cardholder.
14. A method according to any preceding claim, comprising the step of generating a third payment card transaction between a first merchant and a third cardholder wherein the third cardholder and second merchant are associated accounts of the same entity, suitably co-resident in a particular country.

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- 15.A system for transferring funds from a first payment cardholder to a second payment cardholder comprising:
means for receiving an indication from the first cardholder that a transfer of funds is required to the second cardholder,
5 means for generating a first payment card transaction between a first merchant and the first cardholder for a negative amount associated with the value of funds to be transferred, and
means for generating a second payment card transaction between a second merchant and the second cardholder for a positive amount associated with the value of funds to be transferred.
10
- 16.A system according to claim 15, comprising means for obtaining authorisation for the payment card transaction between the first merchant and the first cardholder prior to generating the first payment card transaction.
15
- 17.A system according to claim 15 or further comprising a database of cardholder information, where individual records in the database containing details of cardholders and an associated identifier.
20
- 18.A system according to claim 17, wherein the system is adapted to extract cardholders details from the database from identifiers provided to generate the first and/or second transaction.
- 19.A system according to any one of claims 15 to 18, wherein the system is adapted to perform dynamic currency conversion on the first and/or second transactions.
25
- 20.A system according to any one of claims 15 to 19, wherein the system is adapted to receive indications from the cardholder over a computer network.
- 30
- 21.A system according to any one of claims 15 to 19, wherein the system is adapted to receive an indication from the first cardholder over a telephone.

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- 22.A system according to any one of claims 15 to 21, wherein the system comprises a database associating card numbers or ranges of card numbers to at least one merchant.
- 5 23.A system according to claim 22, wherein the system is adapted to determine an appropriate merchant for use in the first transaction by comparison of the card details of the first cardholder with entries in the database.
- 10 24.A system according to claim 22, wherein the system is adapted to determine an appropriate merchant for use in the second transaction by comparison of the card details of the second cardholder with entries in the database.
- 15 25.Software comprising instructions for causing a computer system to perform the method according to any one of claims 1 to 14.
- 20 26.A computer program product comprising a computer usable medium carrying instructions for causing a computer system to perform the method according to any one of claims 1 to 14.
- 25 27.A method, performed by a computer system, of transferring funds from a first payment cardholder to a second payment cardholder comprising the steps of: receiving an indication from the first cardholder that a transfer of funds is required to the second cardholder; generating a first payment card transaction between a first merchant and the first cardholder for a negative amount associated with the value of funds to be transferred, and generating a transaction between a second merchant and the second cardholder for a positive amount associated with the value of funds to be transferred, wherein the transaction to the second cardholder is in the form of a cheque.
- 30 28.A system for transferring funds from a first payment cardholder to a second payment cardholder comprising: means for receiving an indication from the first cardholder that a transfer of funds is

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required to the second cardholder,

means for generating a first payment card transaction between a first merchant and the first cardholder for a negative amount associated with the value of funds to be transferred, and

5 means for generating a transaction between a second merchant and the second cardholder for a positive amount associated with the value of funds to be transferred, wherein the transaction to the second cardholder is in the form of a cheque.

29. A method of transferring funds from a first payment cardholder to a second payment
10 cardholder comprising the steps of:

receiving an indication from the first cardholder that a transfer of funds is required to the second cardholder,

15 generating a first payment card transaction between a first merchant and the first cardholder for a negative amount associated with the value of funds to be transferred, and generating a second payment card transaction between a second merchant and the second cardholder for a positive amount associated with the value of funds to be transferred.

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